

MINUTES
OF THE
BOARD OF MAYOR AND ALDERMEN
JUNE 11, 2009

The Board of Mayor and Aldermen of the City of Henderson, Tennessee met in regular session on Thursday, June 11, 2009 at 7:00 P.M. in the Council Chamber of the City of Henderson City Hall. Present and presiding was Mayor Robert W. (Bobby) King and the following:

Aldermen: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner,
Buel Maness, Michael Phelps and Keith Smith.
Absent: None

There also present were: City Recorder Jim E. Garland, Police Chief Tommy Davis, Public Works Director Jerry King, Building and Zoning Official Brent Beshires, Utility Director Mark Elkins and Fire Chief Glenn Bryan. City Attorney Jerry Spore was absent.

Alderman Bobby Barnes gave the invocation and Alderman Johny Farris led the Pledge to the Flag. The following proceedings were entered here-to-wit:

The minutes of the previous meeting of the city board and the beer board were presented for approval. There being no questions or corrections, motion was made by Ald. Smith, duly 2nd by Ald. Maness to approve the minutes as prepared. Motion carried.

The accumulated accounts were presented for informational purposes and the board was asked if they had any questions concerning the accounts. Ald. Barnes questioned the expense of Officer Rhodes attending training. Chief Davis stated the expense was for two trips to Louisville, KY and 75% of the cost was covered by the Crime Prevention Grant. Ald. Smith questioned the payment made to the county on the tech center. Recorder Garland explained that the city reimburses the county for 1/2 of the cost they incur for the construction and engineering of the center. There being no other questions concerning the accounts, the meeting continued.

Delegations were called for by Mayor King, there being none the meeting continued.

An Ordinance rezoning of property located at 307 White Ave and 163 Second Street from R-1 Single Family Residential to I Institutional was presented for consideration on the final reading. The public hearing and the first reading took place at the May meeting. The property is owned by Freed-Hardeman University. Ald. Keith Smith recused himself from any discussion or voting of this matter due to the fact he is employed by FHU.

Motion was made by Ald. Barnes, duly 2nd by Ald. Faulkner to pass the ordinance to rezone the property located at 307 White and 163 Second from R-1 to I (Ordinance #445) on the final reading. Upon a roll call vote the following was cast:

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Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness, and Michael Phelps.

Noes: None.

Abstained and Not Voting: Keith Smith.

Therefore Mayor King declared Ordinance # 445 duly passed and the property rezoned.

The city board had met as a committee on numerous occasions concerning the 2009-2010 budget and tax rate. After much deliberation, a tentative budget was being presented tonight for consideration. As part of this overall budget, a sanitation collection rate increase was proposed. The following ordinance was presented which will increase the fees by \$5.00 per month for each rate class.

ORDINANCE NO. 446

AN ORDINANCE TO AMEND TITLE 17, CHAPTER 1, SECTION 17-109 OF THE HENDERSON MUNICIPAL CODE.

BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN FOR THE CITY OF HENDERSON TENNESSEE THAT:

SECTION 1. Title 17, Chapter 1, Section 17-109 is hereby amended to read as follows:

17-109. Service fees for collection, removal and disposal of refuse. The following monthly fees are established for the collection, removal and disposal of refuse:

CLASS Residential units, including single family dwellings, mobile homes, duplex, triplex and quadruplex, for each unit there of:----- \$ 15.50

Commercial businesses and other non-residential purposes:

Table with 3 columns: CLASS, WEEKLY PICKUP MINUTES, MONTHLY FEE. Rows 3-23 showing fee increments from \$15.50 to \$167.44.

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24	17.01 to 18.00	\$176.99
25	18.01 to 19.00	\$186.55
26	19.01 to 20.00	\$196.10
27	20.01 to 21.00	\$205.66
28	21.01 to 22.00	\$215.21
29	22.01 to 23.00	\$224.77
30	23.01 to 24.00	\$234.32
31	24.01 to 25.00	\$243.88
32	25.01 to 26.00	\$253.43
33*	26.01 to 27.00	\$262.99
34	27.01 to 28.00	\$272.54
35	28.01 to 29.00	\$282.10
36	29.01 to 30.00	\$291.65
37	30.01 to 31.00	\$301.21
38	31.01 to 32.00	\$310.76
39	32.01 to 33.00	\$320.32
40	33.01 to 34.00	\$329.87
41	34.01 to 35.00	\$339.43
42	35.01 to 36.00	\$348.98
43	36.01 to 37.00	\$358.54
44	37.01 to 38.00	\$368.09
45	38.01 to 39.00	\$377.65
46	39.01 to 40.00	\$387.20
47	40.01 to 41.00	\$396.76
48	41.01 to 42.00	\$406.31
49	42.01 to 43.00	\$415.87
50	43.01 to 44.00	\$425.42
51	44.01 to 45.00	\$434.98
52	45.01 to 46.00	\$444.53
53	46.01 to 47.00	\$454.09
54	47.01 to 48.00	\$463.64
55	48.01 to 49.00	\$473.20
56	49.01 to 50.00	\$482.75
57	50.01 to 51.00	\$492.31
58	51.01 to 52.00	\$501.86
59	52.01 to 53.00	\$511.42
60	53.01 to 54.00	\$520.97
61	54.01 to 55.00	\$530.53
62	55.01 to 56.00	\$540.08
63	56.01 to 57.00	\$549.64
64	57.01 to 58.00	\$559.19
65	58.01 to 59.00	\$568.75
66	59.01 to 60.00	\$578.30
67	60.01 to 62.00	\$597.41
68	62.01 to 64.00	\$616.52
69	64.01 to 66.00	\$635.63
70	66.01 to 68.00	\$654.74
71	68.01 to 70.00	\$673.85
72	70.01 to 72.00	\$692.96
99	OVER 72.00	As set by Section 17-112

The Public Works Director shall cause each commercial establishment to be placed in a particular class based upon average collections per week. The Public Works Director from time to time may change the classification of a commercial establishment from one class to another. The decision of the Public Works Director shall be final.

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Section 2. BE IT FURTHER ORDAINED that this amendment and the rates contained herein shall take effect on the first of the month after final passage, the public safety and welfare requiring it.

Motion was made by Ald. Farris, duly 2nd by Ald. Phelps to pass Ordinance #446 as prepared on the first reading. Upon a roll call vote the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness,
Michael Phelps and Keith Smith.

Noes: None.

With the initial vote being unanimous, motion was made by Ald. Barnes, duly 2nd by Ald. Faulkner to pass Ordinance #446 as prepared on the second reading. Upon a roll call vote the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness,
Michael Phelps and Keith Smith.

Noes: None.

Therefore Mayor King declared Ordinance # 446 duly passed and the sanitation fees amended.

The next item for consideration was a resolution that: (1) eliminates certain employee positions, (2) formalizes step increases contained in the standard pay scales, (3) approves a reduction in longevity pay and (4) sets the employee's share of the health insurance cost. UD Mark Elkins had requested that a new position be created in his department. This position would be an Operations Superintendent. UD Elkins explained that he would not be hiring any additional personnel but filling the position from within the department and thus the overall number of employees in the department would not change. He also was not asking for any change in pay for this new position but he needed someone that was considered second in command. The pay at the present time would remain the same as a crew leader. Additional pay may be requested for this position after a 12 month probationary period but nothing is promised or guaranteed. This position was not included in the proposed Exhibit "A" that was part of the proposed resolution so the board needed to take action on the matter before consideration of the resolution.

Motion was made by Ald. Farris, duly 2nd by Ald. Phelps to amend Exhibit "A" by adding the position of Operations Superintendent at same pay rate as crew leader. Upon a roll call vote, the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness,
and Michael Phelps.

Noes: Keith Smith.

Therefore Mayor King declared Exhibit "A" and the resolution amended.

The amended resolution was presented for consideration as follows:

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RESOLUTION NO: 2009-005

A RESOLUTION THAT ELIMINATES CERTAIN EMPLOYEE POSITIONS, FORMALIZES STEP INCREASES CONTAINED IN STANDARD PAY SCALES, APPROVES THE AMOUNT OF CHRISTMAS BONUS PAY (AKA: LONGEVITY PAY) AND SETS THE COST SHARE FOR EMPLOYEE HEALTH INSURANCE.

WHEREAS, the Board of Mayor and Aldermen met as a committee to conduct a study and review of the salaries of it's employees pursuant to Section 4-222 of the Henderson Municipal Code; and,

WHEREAS, the Board of Aldermen met with each respective department head to consider the salary and wage rates of each employee in their respective department; and,

WHEREAS, the said board considered and reviewed the recommendations made by each department head for their employees as well as the serious budget shortfalls and budget constraints,

NOW BE IT THEREFORE RESOLVED by the Board of Mayor and Aldermen that:

SECTION I. Due to a significant decrease in revenues, the following positions are to eliminated effective June 26th. Police Records Clerk (layoff), One Police Investigator (vacant position), Two Part-Time Positions in Public Works (layoffs) and Assistant Utility Director (vacant position).

SECTION II. Also due to budget shortfalls, no Cost of Living Adjustment (COLA) shall be given employees.

SECTION III. The following employees shall qualify for scheduled step increase and/or pay increase due to promotion which will make their new hourly rate the following amount.

Randy Smith -----Promoted to UT Worker II-3-----	\$ 12.90	per hour
F. Richie Guy Jr. -----	\$ 13.73	per hour
Ricky Pickett -----	\$ 12.90	per hour
Danny Wade -----	\$ 11.53	per hour
Mike Mercer -----	\$ 10.86	per hour
Christopher Holmes -----	\$ 12.20	per hour
Sheila Hill -----Receptionist/Police Records Clerk---	\$ 13.04	per hour
Darian Denton Leath -----	\$ 13.04	per hour

Police Officers Kyle Connor and Kacey Clayton are also due scheduled step raises every six months until top patrolman pay is reached.

SECTION IV. As part of this Resolution, Exhibit A - Pay Scale for the Utility Department, Exhibit B - Pay Scale for the Public Works Department and Exhibit C - Step Increases for Certifications for the Building and Zoning Official are hereby adopted.

SECTION V. All Full Time Employees are to receive Christmas Bonus Pay based on the number of years of continuous employment with the city in the amount of \$25.00 per year with a minimum of \$50.00. All Part Time Employees are to receive \$50.00 flat Bonus Pay. This Bonus Pay shall be paid in one lump sum on or about December 1, 2009. In order to receive the Christmas Bonus based on years of service, an employee must be on the payroll in some "pay" status (working, annual leave, sick leave or workman's comp. leave) on December 1st of the current year. The amount paid is based on the number of total years completed as of December 31st of the current year.

SECTION VI. Beginning July 2009, all full time employees that participate in the city's group insurance plan shall pay 10% of the individual plan cost that they select while the city will pay for the remaining 90%. Beginning January 2010, all full time employees that participate in the city's group insurance plan shall pay 20% of the individual plan cost that they select while the city will pay for the remaining 80%.

BE IT FURTHER RESOLVED that this resolution becomes effective with the pay period beginning June 29, 2009.

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The amended resolution was presented for consideration by the board. Ald. Maness asked if the board could change the percentage that the employees have to pay for health insurance. Recorder Garland stated the board could change this at any time during the year. Being no other discussion, motion was made by Ald. Barnes, duly 2nd by Ald. Farris to approve Resolution No. 2009-005 as amended. Upon a roll call vote the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness,
Michael Phelps and Keith Smith.

Noes: None.

Therefore Mayor King declared Resolution No. 2009-005 duly adopted.

The proposed 2009-2010 City Budget and Tax Rate of \$1.36 per \$100 of assessed value was presented for consideration on the first reading. This is a 15¢ property tax increase from the previous year. The final consideration would not take place until the July meeting, following a required public hearing. The proposed budget had been discussed during many committee meetings by the board. Motion was made by Ald. Barnes, duly 2nd by Ald. Phelps to approve the 2009-2010 Budget and Tax Rate Ordinance on the first reading. Upon a roll call vote the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness,
Michael Phelps and Keith Smith.

Noes: None.

Therefore Mayor King declared the Ordinance passed on the first reading. The public hearing and final consideration will take place at the July meeting.

The 2009-2010 Utility Department Operations and Capital Budget was presented for consideration as follows:

HENDERSON UTILITY DEPARTMENT
2009-2010 OPERATIONS BUDGET SUMMARY

Water Revenue:	
Water Sales -----	\$ 975,000.00
Water – All other Revenue -----	\$ 103,700.00
Total Water Revenue -----	\$ 1,078,700.00
Water Expenses:	
Water – Power and Pumping -----	\$ 15,000.00
Water – Treatment Plant -----	\$ 206,750.00
Water – Distribution System -----	\$ 113,300.00
Water – Shop & General Maintenance -----	\$ 35,200.00
Water – Billing and Collection -----	\$ 72,800.00
Water – Admin & General Expense -----	\$ 295,961.00
Water – Other Expenses -----	\$ 336,500.00
Water – Funds in Reserve -----	\$ 3,189.00
Total Water Expenses -----	\$ 1,078,700.00
Sewer Service Revenue -----	\$ 564,000.00
Sewer – All other Revenue -----	\$ 12,000.00
Total Sewer Revenue -----	\$ 576,000.00

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Sewer Expenses:

Sewer – Collection Lines and Pumps -----	\$ 86,930.00
Sewer – Treatment & Disposal -----	\$ 20,500.00
Sewer – Laboratory and Testing -----	\$ 40,750.00
Sewer – Shop and General Maintenance -----	\$ 21,100.00
Sewer – Billing and Collection -----	\$ 21,600.00
Sewer – Admin & General Expense -----	\$ 109,997.00
Sewer – Other Expenses -----	\$ 273,650.00
Sewer – Funds in Reserve -----	\$ 1,473.00
Total Sewer Expenses-----	\$ 576,000.00

TOTAL WATER/SEWER COMBINED -----\$1,654,700.00

Gas Revenue:

Gas – Natural Gas Sales -----	\$ 2,600,000.00
Gas – Natural Gas Markup Revenue -----	\$ 855,000.00
Gas – All Other Revenue -----	\$ 91,000.00
Total Gas Revenue -----	\$ 3,546,000.00

Gas Expenses:

Gas – Purchase Gas for Resale -----	\$ 2,600,000.00
Gas – Transmission and Distribution -----	\$ 150,160.00
Gas – Shop and General Maintenance -----	\$ 72,400.00
Gas – Billing and Collection -----	\$ 85,750.00
Gas – Admin and General Expense -----	\$ 297,664.00
Gas – Other Expenses -----	\$ 259,270.00
Gas – Funds in Reserve -----	\$ 80,026.00
Total Gas Expenses -----	\$ 3,546,000.00

2009-2010 Utility Department Capital Budget

	<u>WATER DEPARTMENT</u>	<u>09-10 Budget</u>
413-16110	WT-Land	\$ -
413-16210	WT- Buildings and Improvements	\$ -
413-16431	WT-Transportation Equipment *	\$ 15,750.00
413-16441	WT-General Office Equipment	\$ 2,500.00
413-16451	WT-Work Equipment	\$ 10,000.00
413-16460	WT-Radio Equipment	\$ -
413-16610	WT- Water Unclassified	\$ -
413-16611	WT-Water Filtration Plant	\$ 5,000.00
413-16612	WT-Distribution Mains	\$ -
413-16613	WT-Service Lines	\$ 10,000.00
413-16614	WT-Meters	\$ 15,000.00
413-16615	WT-Water Tanks	\$ -
413-16616	WT-Water Wells	\$ -
	WATER TOTAL -----	\$ 58,250.00
	<u>SEWER DEPARTMENT</u>	<u>09-10 Budget</u>
413-16120	SW-Land	\$ -
413-16220	SW-Buildings and Improvements	\$ -
413-16432	SW-Transportation Equipment	\$ 6,750.00
413-16442	SW-General Office Equipment	\$ 1,500.00

413-16452	SW-Work Equipment	\$ 10,000.00
413-16462	SW-Radio Equipment	\$ -
413-16620	SW-Mains	\$ -
413-16621	SW-Lagoons	\$ 3,500.00
	SEWER TOTAL-----	\$ 21,750.00

	<u>GAS DEPARTMENT</u>	<u>09-10 Budget</u>
415-16100	GS-Land	\$ -
415-16200	GS-Buildings and Improvements	\$ -
415-16430	GS-Transportation Equipment *	\$ 22,500.00
415-16440	GS-General Office Equipment	\$ 2,500.00
415-16450	GS-Work Equipment	\$ 10,000.00
415-16460	GS-Radio Equipment	\$ -
415-16650	GS-Distribution Mains	\$ 7,000.00
415-16651	GS-Service Lines	\$ 10,000.00
415-16652	GS-Meters (+ AMR 60,000)	\$ 80,000.00
415-16653	GS-Regulator Stations/Equip.	\$ 11,000.00
	GAS TOTAL -----	\$ 143,000.00

Motion was made by Ald. Farris, duly 2nd by Ald. Barnes to approve the Utility Operations and Capital Budget as presented. Upon a roll call vote the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness, Michael Phelps and Keith Smith.

Noes: None.

Therefore Mayor King declared the 2009-2010 Utility Department budgets approved.

Recorder Garland advised the board of the need to amend the current year (2008-2009) city budget to reflect grant revenues, donations and loan proceeds and the related project expenses. The amended ordinance was presented as follows:

ORDINANCE NO. 447 .

AN ORDINANCE OF THE CITY OF HENDERSON AMENDING THE 2008-2009 GENERAL FUND BUDGET TO REFLECT ADDITIONAL REVENUES AND EXPENDIUTIES FROM CERTAIN GRANT PROGRAMS, DONATIONS AND EXPENSES FOR THE CITY PARK, LOAN PROCEEDS AND EXPENSES FOR THE TECH CENTER AND A DECREASE IN FUND BALANCE.

BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF HENDERSON, TENNESSEE, THAT:

SECTION I. Total revenues and available funds and expenditures.

GENERAL FUND: REVENUE

New Revenue -----	\$ 3,612,625
Grant Receivable -----	\$ 230,000
Fund Balance (Projected)-----	\$ 1,099,500
TOTAL GENERAL FUND REVENUE --	\$ 4,942,125

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GENERAL FUND: EXPENDITURES:

Financial Administration-----\$ 284,452
General Government -----\$ 119,831
Police Department -----\$1,268,590
Fire Department -----\$ 512,865
Building Inspection -----\$ 97,993
Emergency Management -----\$ 22,500
Streets and Highways -----\$ 543,581
City Maintenance Shop -----\$ 136,714
Landfill (Closed) -----\$ 20,000
Cemetery -----\$ 18,500
Rabies and Animal Control ----\$ 37,066
City Park -----\$ 227,916

CONTRIBUTIONS:

CC Senior Citizens ----- \$ 2,000
CC Dixie Youth -----\$ 2,000
CC Library -----\$ 4,000
Exchange Club/Carl Perkins\$ 2,000
Project Graduation -----\$ 500
CC Imagination Library ----\$ 500
AYSO Youth Soccer-----\$ 300
CONTRIBUTION TOTAL-----\$11,300
TEA-21 Sidewalk Project -----\$ 400,000
Undesignated Reserve -----\$ 393,817
Tech Center State Reserve Funds - \$ 405,000
HOME/HTF Housing Grant ----- \$ 400,000
Transfer to DS for Tech School ----\$ 42,000

TOTAL GENERAL FUND EXPENDITURES-\$ 4,942,125

SECTION II. As part of this ordinance the attached line item amendments (see Exhibit "A") shall be made in order reflect additional revenues and to cover additional expenses in the General Fund.

SECTION III. BE IT FURTHER ORDAINED this ordinance shall take effect immediately upon final passage, the public welfare requiring it.

After due discussion, motion by Ald. Smith, duly 2nd by Ald. Phelps to pass Ordinance #447 on the first reading. Upon a roll call vote the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness,
Michael Phelps and Keith Smith.

Noes: None.

With the initial vote being unanimous, motion was made by Ald. Smith, duly 2nd by Ald. Barnes to pass Ordinance #447 on the second reading. Upon a roll call vote the following was cast:

Ayes: Robert C. (Bobby) Barnes, Johny R. Farris, Tim Faulkner, Buel Maness,
Michael Phelps and Keith Smith.

Noes: None.

Therefore Mayor King declared Ordinance # 447 duly passed and the 2008-2009 Budget amended.